

## CHAPTER 108

### BENEFITED RECREATIONAL LAKE AND WATER QUALITY DISTRICTS

S.F. 412

**AN ACT** relating to the powers and governance of benefited recreational lake districts, water quality districts, and combined recreational lake and water quality districts.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 357E.1, subsection 3, Code 2011, is amended to read as follows:

3. “District” means a benefited recreational lake district or a water quality district or a combined district incorporated as a public entity and organized pursuant to this chapter.

Sec. 2. Section 357E.9, Code 2011, is amended to read as follows:

#### **357E.9 Trustees — term and qualification.**

1. *a.* At the election, the names of at least ~~three~~ seven candidates for trustee shall be written in by the voters on blank ballots without formal nomination and the board of supervisors shall appoint ~~three~~ seven from among the ~~five~~ nine receiving the highest number of votes as trustees for the district. ~~One trustee~~ Three trustees shall be appointed to serve for one year, ~~one~~ two for two years, and ~~one~~ two for three years. The trustees shall give bond in the amount required by the board, the premium of which shall be paid by the district. The trustees must be residents of the district or be property owners within the district. Vacancies shall be filled by election, but if there are no candidates for a trustee office, the vacancy may be filled by appointment by the board. The terms of the succeeding trustees are for three years.

*b.* For districts in existence on July 1, 2011, the number of trustees, other than those appointed under subsection 2, shall be increased from three trustees to seven trustees. For the initial seven-member board under this paragraph, the board of supervisors shall appoint four trustees. One trustee shall be appointed to serve for one year, one for two years, and two for three years. The term of each trustee appointed under this paragraph shall expire on the same date as the term of the current trustee whose term expires during the same year.

2. If the state owns at least four hundred acres of land contiguous to a lake within the district, the natural resource commission shall appoint two members of the board of trustees in addition to the ~~three~~ seven members provided in this section. The additional two members must be citizens of the state, not less than eighteen years of age, and property owners within the district. The two additional members have voting and other authority equal to the other members of the board and hold office at the pleasure of the natural resource commission.

Sec. 3. Section 357E.11, Code 2011, is amended to read as follows:

#### **357E.11 Bonds in anticipation of revenue.**

A district, other than a combined district, may anticipate the collection of taxes by the levy authorized in this chapter, and to carry out the purposes of this chapter may issue bonds payable in not more than twenty equal installments with the rate of interest not exceeding that permitted by chapter 74A. An indebtedness shall not be incurred under this ~~chapter~~ section until authorized by an election. The election shall be held and notice given in the same manner as provided in section 357E.8, and the same majority vote is necessary to authorize indebtedness. Both propositions may be submitted to the voters at the same election.

#### **Sec. 4. NEW SECTION. 357E.11A Bonds and indebtedness — combined districts.**

1. A combined district may borrow money for its corporate purposes, but shall not become indebted in any manner or for any purpose to an amount in the aggregate exceeding five percent on the value of the taxable property within the district, to be ascertained by the last state and county tax lists previous to the incurring of the indebtedness. Indebtedness within this limit shall not include the indebtedness of any other municipal corporation located wholly or partly within the boundaries of the district.

2. A combined district shall have the same powers to issue bonds, including both general obligation and revenue bonds, that cities have under the laws of this state, including but not limited to chapter 76, section 384.4, and sections 384.23 through 384.94. The bonds shall

be made payable at the place and be of the form as the board of trustees shall by resolution designate. In the application of the laws to this section, the words used in the laws referring to municipal corporations or to cities shall be held to include combined districts organized under this chapter; the words "council" or "city council" shall be held to include the board of trustees of a combined district; the words "mayor" and "clerk" shall be held to include the president and clerk of a board of trustees; and like construction shall be given to any other words in the laws where required to permit the exercise of the powers by combined districts under this section.

3. An indebtedness shall not be incurred under this section until authorized by an election. The election shall be held and notice given in the same manner as provided in section 357E.8, except that a proposition to authorize indebtedness is approved if sixty percent of those voting on the proposition vote in favor of the proposition. A proposition for the authorization of indebtedness may be submitted to the voters at the same election as the election under section 357E.8.

Approved May 12, 2011